

NOT FOR CITATION
IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

ZiLOG, Inc.,

NO. C 03-03725 JW

Plaintiff,

v.

Quicklogic Corporation,

Defendant.

**ORDER GRANTING PLAINTIFF'S
MOTION FOR LEAVE TO AMEND
INITIAL DISCLOSURE OF ASSERTED
CLAIMS AND PRELIMINARY
INFRINGEMENT CONTENTIONS;
DENYING MOTION TO STRIKE**

I. INTRODUCTION

ZiLOG ("Plaintiff") initiated this patent infringement suit against Quicklogic ("Defendant") in August of 2003. Presently before the Court is ZiLOG's motion for leave to amend its initial disclosure of asserted claims and preliminary infringement contentions. The motion is scheduled for hearing on March 13, 2006. The Court finds it appropriate to take the motion under submission for decision without oral argument pursuant to Civil Local Rule 7-1(b). For the reasons set forth below, the Court GRANTS the motion.

II. BACKGROUND

On August 11, 2003, Plaintiff ZiLOG filed suit against Defendant Quicklogic alleging the infringement of claim 1 of U.S. Patent No. 4,670,749 ("the '749' patent"). On November 17, 2003, Defendant submitted a request to the United States Patent Office ("USPTO") seeking reexamination of the '749 patent. Defendant then filed a motion to stay the proceedings pending the conclusion of

1 the reexamination. This Court denied the motion as “premature” because the USPTO had not yet
2 granted Defendant’s request to reexamine the ‘749 patent. (Order denying Mot. to Stay, at 2.) On
3 February 5, 2004, the USPTO granted the request and about three weeks later, Defendant renewed
4 its motion to stay the proceedings. On March 23, 2004, Plaintiff served its Preliminary Infringement
5 Contentions. Eight days later, this Court granted the motion to stay proceedings.

6 The USPTO reexamined all three claims of the ‘749 patent. (Decl. of G.Hopkins Exhibit C,
7 at 4.) On February 28, 2005, the USPTO issued its decision to invalidate the first and second claims
8 and to confirm the third claim. See Id. Plaintiff appealed the decision to the Board of Patent
9 Appeals and Interference. The appeal is pending. (Joint Case Management Statement, at 2.) On
10 November 7, 2005, this Court lifted the stay upon Plaintiff’s request to amend its Preliminary
11 Infringement Contentions.

12 Plaintiff now seeks to amend its initial disclosure of asserted claims and preliminary
13 infringement contentions to add the third claim of the ‘749 patent. Defendant opposes the motion
14 with essentially three arguments. Defendant argues that Plaintiff makes its motion in bad faith, that
15 Plaintiff failed to act diligently, and that Defendant will suffer extreme prejudice if the motion is
16 granted.

17 III. DISCUSSION

18 Patent Local Rule 3-7 recites that “[a]mendment or modification of the Preliminary or Final
19 Infringement Contentions or the Preliminary or Final Invalidity Contentions, other than as expressly
20 permitted in Patent Local Rule 3-6, may be made only by order of the Court, which shall be entered
21 only upon a showing of good cause.”

22 Applying this standard, the Court concludes first that Plaintiff acted diligently. After the
23 USPTO issued its decision, the Court conducted a case management conference in November of
24 2005, at which time Plaintiff promptly sought leave to amend. Plaintiff filed its motion
25 approximately two months after the conference. Thus, effectively no more than three months passed
26 between the time Plaintiff filed its initial disclosure of asserted claims and preliminary infringement
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1 contentions and filed the present motion for leave to amend. This constitutes sufficient diligence to
2 meet the “good cause” standard.

3 Second, Defendant’s purported evidence of bad faith is insufficient to justify depriving
4 Plaintiff of its constitutionally protected right to an adjudication on the merits.

5 Lastly, Defendant’s contention that it will suffer extreme prejudice is unpersuasive because,
6 as stated previously, no more than three months have passed between the time Plaintiff served its
7 initial disclosure of asserted claims and infringement contentions and the filing of this motion.

8 IV. CONCLUSION

9 For the reasons stated, the Court GRANTS Plaintiff’s Motion for Leave to Amend Initial
10 Disclosure of Asserted Claims and Preliminary Infringement Contentions. Lastly, Defendant’s
11 motion to strike the declaration of John Ransom is denied.

12 Dated: March 6, 2006

13 03cv3725amend

/s/James Ware

JAMES WARE

United States District Judge

1 **THIS IS TO CERTIFY THAT COPIES OF THIS ORDER HAVE BEEN DELIVERED TO:**

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5 **Dated: March 6, 2006**

Richard W. Wieking, Clerk

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7 **By: /s/JW chambers**
8 **Melissa Peralta**
9 **Courtroom Deputy**
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